

CHAPTER NO. 672

HOUSE BILL NO. 2853

By Representatives Ulysses Jones, Hargrove

Substituted for: Senate Bill No. 3127

By Senator Rochelle

AN ACT to amend Tennessee Code Annotated, Section 57-3-404(h) and Section 57-3-406(f), to permit retailers to hold open containers of unmarketable products for purposes of return and for purposes of sales demonstrations, and to permit wholesalers and wholesaler sales persons and representatives to conduct sales demonstrations for retail licensees and their employees on the premises of a retail licensee.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-3-406(f), is amended by deleting the period (.) at the end of the section and adding the following language:

except such open bottles and containers of damaged and unmarketable product retained by the retail licensee for purpose of return to a wholesaler or such open bottles and containers required for conducting a sales demonstration as permitted by Section 57-3-404(h).

SECTION 2. Tennessee Code Annotated, Section 57-3-404(h), is amended by adding the following language at the end of the subsection:

A wholesaler licensed pursuant to Section 57-3-203 or a person holding a permit as a representative or sales person pursuant to Section 57-3-203(d) may conduct a sales demonstration on the premises of a licensed retailer and, for such limited purpose, may provide free samples to the employees of a licensed retailer for consumption on such premises. A retail licensee may conduct such a sales demonstration for the persons employed by such licensee holding permits issued pursuant to Section 57-3-204(c) using products and samples provided by a wholesaler or wholesaler sales representative notwithstanding the absence of the wholesaler or wholesaler sales representative. All such sales demonstrations permitted consumption shall be permitted only for sales, education, and promotional purposes and no one other than a retail licensee, a person holding a permit issued pursuant to Section 57-3-204(c), a wholesaler or a wholesaler sales representative, or a person holding a permit issued pursuant to Section 57-3-202(d) may be present in the room where such demonstration is conducted or may receive a sample for consumption.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 17, 2001



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES



JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 24th day of April 2002



DON SUNDQUIST, GOVERNOR